GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1904
ANSWERED ON:03.08.2001
ESTABLISHMENT OF LOCAL AREA BANKS
ARUN KUMAR;MANJAY LAL

Will the Minister of FINANCE be pleased to state:

(a) the State-wise, number of licenses issued by the RBI so far for setting up of local area banks;

(b) the State-wise, number of such proposals pending with RB! for consideration; and

(c) the time by when the pending proposals are likely to be cleared?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

(a) Reserve Bank of India (RBI) has so far issued five licenses for settingup of Local Area Banks (LAB).The State-wise position is given below:

Name of the State	Number of licenses issued
Andhra Pradesh	2
Gujarat	1
Punjab	1
Rajasthan	1

(b) Eight proposals for setting up of Local Area Banks are pending with RBI.The State-wise position is as given below:

Name of the State	Number of Proposals pending
Andhra Pradesh	2
Assam	1
Uttar Pradesh	1
Gujarat	1
Haryana	1
West Bengal	1
Tamil Nadu	1
Total	8

(c) Reserve Bank of India have reported that the proposals for setting up of Local AreaBanks are sent to their respective regional offices for preliminary scrutiny. The promoters of the proposed Local Area Banks are required to furnish information/data promptly. The clearance of proposals for LABs is contingent on receipt of desired information frompromoters. On receipt of the required information/documents, RBI processes the proposals expeditiously.